GOVERNMENT OF INDIA
FOOD PROCESSING INDUSTRIES
LOK SABHA

UNSTARRED QUESTION NO:2287
ANSWERED ON:15.03.2007
SETTING UP OF FRUIT BASED FOOD PROCESSING UNITS
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Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) whether the Government has received any proposal from the State Government of Jammu and Kashmir to promote setting up of fruit based food processing industries in the State;

(b) if so, the details alongwith the reaction of the Government thereto;

(c) the financial assistance provided/proposed to be provided by the Government for the purpose;

(d) whether the Government envisages to offer a package with special incentives for small orchardists in Baramulla and Kupwara districts; and

(e) if so, the details thereof?

Answer

THE MINISTER OF STATE OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI SUBODH KANT SAHAI)

(a) to (e) : The Ministry of Food Processing Industries, under its plan schemes provides financial assistance in the form of grant in aid for Technology Upgradation/Establishment/Modernization of food processing industries upto 25% of the cost of plant & machinery and technical civil works subject to a maximum of Rs. 50 lakhs in general areas and up to 33.33% subject to a maximum of Rs. 75 lakhs in difficult areas to various implementing agencies for the overall development of Food Processing Industry. Further, enhanced level of assistance (credit-linked back ended) for setting up/Upgradation/modernization of Fruit & Vegetable Processing Units is available for all implementing agencies under the Mini Mission-IV of Technology Mission for Integrated Development of Horticulture in North-Eastern States including Sikkim, Jammu & Kashmir, Uttarakhand and Himachal Pradesh @ 50% of cost of plant & machinery and technical civil works subject to a maximum of Rs. 4.00 crores for establishment of new units and Rs. 1.00 crore for upgradation and modernization of existing units. Assistance is considered based on complete and viable project proposals received through respective State Nodal Agencies. The Ministry does not set up projects on its own.

The Ministry of Food Processing Industries has approved 23 projects in the State during the Xth Plan period with an assistance of Rs. 10.31 crore. 7 projects for setting up of units based on fruits & vegetables processing have been approved during the period involving a total assistance of Rs. 2.85 crores. Further, the Ministry has approved a financial assistance of Rs. 19.40 lakhs for preparation of Detailed Project Reports (DPRs) in respect of five project profiles submitted by the State Government under Prime Minister's Reconstruction Plan for J&K for financial assistance for which Letter of Intent /In- principle approval in respect of the projects has been conveyed to enable State Government for arranging land, tied-up means of finance, bank/FI appraisal report etc. required for considering approval of the project proposals for assistance by the Ministry, in term of guidelines.

The Centrally Sponsored Scheme Technology Mission for Integrated Development of Horticulture in North Eastern States including Sikkim has been extended to Jammu & Kashmir, Himachal Pradesh and Uttarakhand during the X Plan with a total allocation of Rs. 845.00 Crores, of which Rs. 100.00 Crores is earmarked for Jammu & Kashmir to address various issues related to development of Horticulture in a mission mode approach. Under the above mission, assistance is provided to farmers/entrepreneurs for various activities involved in production of planting material, production and productivity improvement, Post Harvest Management, Marketing and processing of Horticulture produce.